

# OPEN MEETING ITEM



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COMMISSIONERS  
MIKE GLEASON - Chairman  
WILLIAM A. MUNDELL  
JEFF HATCH-MILLER  
KRISTIN K. MAYES  
GARY PIERCE



ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION  
DOCKET CONTROL

DATE: SEPTEMBER 30, 2008

DOCKET NO: W-03718A-07-0687

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Belinda A. Martin. The recommendation has been filed in the form of an Opinion and Order on:

RANCHO SAHUARITA WATER COMPANY, L.L.C.  
(CC&N EXTENSION/TRANSFER CC&N)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and ten (10) copies of the exceptions with the Commission's Docket Control at the address listed below by 4:00 p.m. on or before:

OCTOBER 9, 2008

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Working Session and Open Meeting to be held on:

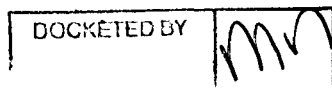
OCTOBER 15, 2008 and OCTOBER 16, 2008

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602)542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

Arizona Corporation Commission

DOCKETED

SEP 30 2008



BRIAN C. McNEIL  
EXECUTIVE DIRECTOR

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 MIKE GLEASON, Chairman  
4 WILLIAM A. MUNDELL  
5 JEFF HATCH-MILLER  
6 KRISTIN K. MAYES  
7 GARY PIERCE

8 IN THE MATTER OF THE APPLICATION OF  
9 RANCHO SAHUARITA WATER COMPANY,  
10 L.L.C., FOR THE TRANSFER OF ITS  
11 CERTIFICATE OF CONVENIENCE AND  
12 NECESSITY TO SAHUARITA WATER  
13 COMPANY, L.L.C., AND EXTENSION OF THE  
14 CERTIFICATE OF CONVENIENCE AND  
15 NECESSITY FOR WATER SERVICE.

DOCKET NO. W-03718A-07-0687

DECISION NO. \_\_\_\_\_

**OPINION AND ORDER**

11 DATE OF HEARING:

August 7, 2008

12 PLACE OF HEARING:

Tucson, Arizona

13 ADMINISTRATIVE LAW JUDGE:

Belinda A. Martin

14 APPEARANCES:

Mr. Lawrence V. Robertson, Jr., on  
behalf of Sahuarita Water Company,  
L.L.C.; and

Ms. Janice Alward, Chief Counsel, Legal  
Division, on behalf of the Utilities  
Division of the Arizona Corporation  
Commission.

18 **BY THE COMMISSION:**

19 On December 14, 2007, Sahuarita Water Company, L.L.C. ("SWC") filed with the Arizona  
20 Corporation Commission ("Commission") an Application to Extend its Certificate of Convenience  
21 and Necessity ("CC&N" or "Certificate") to provide water service in Pima County.<sup>1</sup>

22 On January 14, 2008, the Commission's Utilities Division Staff ("Staff") filed an  
23 Insufficiency Letter and First Set of Data Requests.

24 On March 14, 2008, SWC filed its responses to Staff's data requests.

25 On April 9, 2008, Staff filed its Second Insufficiency Letter and Second Set of Data Requests.

27 \_\_\_\_\_  
28 <sup>1</sup> The CC&N that is the subject of this application is held by Rancho Sahuarita Water Company, L.L.C. See Transfer of  
CC&N section, *infra*, for a discussion of the transfer of RWSC's CC&N to SWC.

1 On April 29, 2008, SWC filed its responses to Staff's second set of data requests.

2 SWC's original application included 5,445 acres. The proposed extension area included 112  
3 acres serving the Sahuarita Unified School District ("SUSD") within the proposed extension area.  
4 After filing the CC&N extension application, SWC learned that SUSD was, in fact, included with the  
5 existing CC&N area. As such, on May 2, 2008, SWC filed its Amendments to Application deleting  
6 the request regarding SUSD. SWC's Amendments to Application also requested that the Commission  
7 transfer the CC&N currently held in the name of Rancho Sahuarita Water Company, L.L.C.  
8 ("RSWC") to SWC. (See Exhibit A-2, *April 30, 2008, Amendments to Application*, page 2, lines 14-  
9 16.)

10 On May 27, 2008, Staff notified SWC that its application was sufficient pursuant to the terms  
11 of the Arizona Administrative Code.

12 By Procedural Order dated May 29, 2008, the matter was set for hearing at the Commission's  
13 offices in Tucson, Arizona, and procedural guidelines and deadlines were established.

14 On July 17, 2008, Staff filed its Staff Report recommending approval of the transfer of the  
15 CC&N from RSWC to SWC and the extension of the CC&N, contingent upon SWC's compliance  
16 with certain conditions.

17 On July 21, 2008, SWC filed an affidavit certifying that it mailed notice of the hearing to the  
18 owners of the affected property, and also that Notice was published in the *Arizona Daily Star* and *The*  
19 *Tucson Citizen* on June 27, 2008.

20 On July 31, 2008, SWC filed its Response to the July 17, 2008, Staff Report.

21 On August 7, 2008, the hearing in this matter convened before a duly authorized  
22 Administrative Law Judge. No members of the public appeared for public comment.

23 On August 20, 2008, Staff filed an Amended Staff Report incorporating certain changes  
24 testified to at hearing.

25 On August 25, 2008, SWC filed late-filed exhibits relating to the developers' intended water  
26 conservation practices.

27 \* \* \* \* \*

28 Having considered the entire record herein and being fully advised in the premises, the

1 Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

2 **FINDINGS OF FACT**

3 1. On December 20, 1995, in Decision No. 59431, the Commission granted Interchange  
4 Water Company ("IWC") a CC&N provide water service for an area contemplated for the master-  
5 planned community of Rancho Sahuarita, located south of Tucson, in Pima County.

6 2. On November 2, 1999, in Decision No. 62032, the Commission authorized RSWC to  
7 acquire IWC's water system assets and its CC&N. At that point in time, RWSC was owned by  
8 Sharpe & Associates, Inc., ("Sharpe") and Interchange Opportunity Fund, L.L.L.P. ("Interchange").

9 3. On June 25, 2004, the Commission authorized an extension of RSWC's CC&N in  
10 Decision No. 67068.

11 **Transfer of CC&N**

12 4. On October 15, 2007, RSWC notified the Commission that Mission Peaks 4000 LLC,  
13 a Nevada limited liability company ("Mission Peaks")<sup>2</sup>, had acquired a 20 percent or greater  
14 membership interest in RSWC, with resulting ownership percentages of, 1) Sharpe, .667 percent, 2)  
15 Mission Peaks, 33.333 percent, and 3) Interchange, 66.00 percent.

16 5. On October 18, 2007, RWSC filed Articles of Amendment with the Commission's  
17 Corporations Division, by which RSWC advised the Commission that RWSC was changing its name  
18 from Rancho Sahuarita Water Company, L.L.C., to Sahuarita Water Company, L.L.C. RSWC  
19 decided to change its name because RSWC received requests for water service from several real  
20 property owners outside the Rancho Sahuarita boundaries.

21 6. Sharpe and Mission Peaks are in good standing with the Commission's Corporations  
22 Division. Interchange is filed and up-to-date with the Arizona Secretary of State's Office and the  
23

24 <sup>2</sup> According to the Staff Report:

25 Mission Peaks 4000, L.L.C., a Nevada limited liability company, is in good standing with the ACC  
26 Corporations Division and is owned by American Nevada Company, L.L.C., Rancho Maria Colorado,  
27 L.L.C., ANC Arizona I, L.L.C., and Tucson 4000, L.L.C. American Nevada Company, L.L.C., is the  
28 managing partner for Mission Peaks [4000], L.L.C., and was formed in 1974 as the real estate development  
arm of the Greenspun group of companies. American Nevada's community developments are touted to be  
the most recognized in the Las Vegas valley setting high standards for land use, architectural design and  
engineering. American Nevada Company, L.L.C., is also in good standing with the ACC Corporation  
Division. (See Exhibit S-2, *Amended Staff Report dated August 20, 2008*, page 2-3.)

1 agent/owners are listed as David S. Cutler, CPA and Sharpe & Associates, Inc.

2 7. In spite of the changes in ownership and name change, SWC states that the managerial  
3 structure has not changed. Sharpe & Associates, Inc., continues to be SWC's manager. SWC also  
4 notes that, although Mission Peaks does not have experience in operating a water company, Mission  
5 Peaks, in its status as a minority member, would not be directly involved in SWC's day-to-day  
6 operations.

7 8. Given the foregoing, Staff recommends approval of the transfer of Rancho Sahuarita  
8 Water Company, L.L.C.'s CC&N to Sahuarita Water Company, L.L.C.

9 **Extension of CC&N**

10 9. SWC<sup>3</sup> seeks Commission authority to extend its service territory to include  
11 approximately 5,333 acres within its service area in order to provide water service to approximately  
12 20,300 additional customers. The proposed extension area is located near the Town of Sahuarita,  
13 Pima County, southwest of SWC's existing CC&N, and is not contiguous to SWC's current  
14 certificated area. The legal description of the proposed extension area is attached hereto as Exhibit  
15 'A'.

16 10. SWC is an Arizona corporation, in good standing with the Commission's Corporations  
17 Division, and provides water service to approximately 4,250 customers in the Rancho Sahuarita and  
18 Rancho Resort residential communities.

19 11. SWC's existing water system consists of two drinking water wells producing a  
20 combined total of 3,250 gallons per minute ("GPM"), three storage tanks with a total storage capacity  
21 of 2,550,000 gallons, and five pressure tanks. SWC owns only one of the two wells. The other is  
22 owned by the Town of Sahuarita, but SWC holds a 99-year lease for the Town's well.

23 12. SWC received a request for service in the proposed extension area from Mission Peaks  
24 by correspondence dated November 29, 2007. The Mission Peaks development covers 4,228 acres.  
25 At build-out, Mission Peaks anticipates providing water service to 15,000 residences, consisting of:  
26 1) 11,123 single-family homes, 2) 2,371 active-adult units, 3) 1,506 multi-family units, and 4) 1.1  
27

28 <sup>3</sup> Although RSWC still held the CC&N at the time of the extension application, SWC filed the application. As such, we will refer to the holder of the CC&N as SWC for clarity's sake.

1 million square feet of non-residential use, which includes commercial developments, recreation  
2 centers, places of worship, and a police and fire station. The plan also contemplates one high school,  
3 one middle school and two elementary schools.

4 13. On November 28, 2007, SWC received a written request for service within the  
5 proposed extension area from Sahuarita Mission Partners ("Sahuarita Mission"). The Sahuarita  
6 Mission development covers 471 acres expected to consist of 3,000 single family homes.

7 14. On December 12, 2007, SWC received a written request for service within the  
8 proposed extension area from the Arizona State Land Department ("ASLD"). The ASLD  
9 development covers 634 acres expected to consist of 2,300 single-family homes.

10 15. Regarding the ASLD property, the Mission Peaks witness, Matthew Lawson, testified  
11 that the owner of Mission Peaks, American Nevada Company ("ANC") (See Footnote #2), is  
12 working with ASLD to develop the ASLD property. ANC is in the process of getting all the  
13 necessary zoning approvals and when that is complete, ASLD will put the land up for auction. Mr.  
14 Lawson states that, because it is a public auction, ANC is not guaranteed to acquire the property. (See  
15 *Transcript of August 7, 2008, Hearing, page 20.*)

16 16. Mr. Lawson stated that even if ANC is not the successful bidder for the ASLD  
17 property, he anticipates that the land would still be developed because of the development momentum  
18 created by the Mission Peaks project. (Tr. Pg. 20-21.)

19 17. Mr. Lawson expected the zoning process for the ASLD land to be completed late 2008  
20 or early 2009. Mr. Lawson testified that, once that is complete, ASLD will begin the process of  
21 offering the property at public auction; a process which takes approximately one year. (Tr. Pg 23.)  
22 Mr. Lawson testified further that, because the current plan is for the ASLD land to be part of the third  
23 phase of development, the fact that the ASLD land might not go to public auction for at least two  
24 years would not impede the other phases of the project from moving forward as planned. (Tr. Pg 31.)

25 18. In its Staff Report, Staff noted that no part of the proposed extension area is  
26 contiguous to SWC's current certificated area. However, the Mission Peaks portion of the proposed  
27 extension area is contiguous to Las Quintas Serenas Water Company's ("Las Quintas") certificated  
28 area.

1           19.     SWC related to Staff that Mission Peaks spoke with a representative of Las Quintas  
2 approximately two years ago regarding the provision of water service, but no substantive discussions  
3 were held. SWC also told Staff that SWC had not notified Las Quintas of Mission Peaks' request for  
4 water service.

5           20.     Staff states that the prospect of SWC being the water provider to Mission Peaks,  
6 Sahuarita Mission, and ASLD has been a matter of common knowledge in the Sahuarita/Green  
7 Valley area for more than a year and has been the subject of a number of newspaper articles  
8 discussing the proposed Mission Peaks development.

9           21.     Further, Staff notes that no other utility companies or individuals have filed  
10 applications to intervene in this matter.

11           22.     SWC anticipates that development within the proposed CC&N extension area will  
12 occur in three phases beginning with the Mission Peaks project. The Mission Peaks project is  
13 anticipated to be implemented in three phases, the first of which is expected to begin serving  
14 customers in approximately late 2010. The second phase is anticipated to begin in 2015, and the third  
15 phase (which consists of the third phase of the Mission Peaks project, the Sahuarita Mission project  
16 and the ASLD project), is anticipated to begin in 2020. (Tr. Pg. 32)

17           23.     To serve the requested extension area, SWC proposes to install within five years new  
18 plant including, but not limited to: 1) one new 1,500 GPM well; 2) three 600,000 gallon storage  
19 tanks; 3) one 2,500 GPM booster station; 4) one 1,700 GPM booster station; 5) one 2,300 GPM  
20 booster station; and 6) one 3,300 GPM booster station and transmission mains.

21           24.     Staff concludes that these plant facilities will provide SWC with sufficient capacity to  
22 serve the requested extension area. Staff further concludes that it is reasonable to assume that SWC  
23 will develop additional capacity as needed to meet future growth in the requested extension area.

24           25.     SWC submitted an Opinion of Probable Construction Costs prepared by Westland  
25 Resources, Inc., which consisted of a description of the proposed new water system and estimated  
26 plant costs totaling \$16,533,375 over the next five years. (See Exhibit A-10.)

27           26.     Staff concludes that SWC's estimates of the initial five year period expenditures of  
28 \$16,533,375 are reasonable and appropriate for this project. However, Staff stated that approval of

1 this CC&N application does not imply any particular future treatment for rate base. Staff made no  
2 "used and useful" determination of the proposed plant in service, and no conclusions should be  
3 inferred for future rate making or rate base purposes.

4 27. SWC stated in its application that it initially will finance the required transmission and  
5 distribution facilities using a combination of funds in the form of main line extension agreements and  
6 off-site facilities agreements with master developers and/or subdivision developers approved by the  
7 Commission's Utilities Division, as well as with common equity.

8 28. Staff notes that in Decision No. 62032 (November 2, 1999), the Commission  
9 authorized an Off-site Facilities Hook-up Fee Tariff. Pursuant to this tariff, SWC must obtain hook-  
10 up fee contributions-in-aid-of-construction determined by meter size and number of connections. The  
11 amount collected from the hook-up fee is to be deposited into a trust account and used to finance the  
12 construction of off-site facilities. The hook-up fee tariff states that the purpose of such a fee is "to  
13 equitably apportion the costs of off-site water facility developments to serve [SWC's] Service Area  
14 among all new service connections in that area." (Exhibit S-2, *Amended Staff Report dated August*  
15 *20, 2008*, pg. 4.)

16 29. Staff concludes that a company may not use a combination of off-site service  
17 agreements and hook-up fees for new infrastructure. Once a company has an approved hook-up fee,  
18 this is the method of funding new off-site infrastructure requirements, in addition to investment by  
19 the company, if needed.

20 30. As such, Staff recommends that off-site infrastructure for new connections should be  
21 funded through hook-up fees and not off-site facilities agreements.

22 31. On August 25, 2008, Mission Peaks filed a late-filed exhibit setting forth the intended  
23 water conservation practices regarding the development of its property. Mission Peaks will construct  
24 a Water Reclamation Facility, and reclaimed water from sewer flows will be used to irrigate  
25 landscape for parks, schools, road medians, and other public areas. According to Mission Peaks,  
26 landscaping will incorporate Xeriscape landscaping techniques using native and drought resistant  
27 plants, and plumbing fixtures will be low flow plumbing fixtures that will meet or exceed plumbing  
28 code requirements. (See Exhibit A-23, *Mission Peaks Development Water Conservation Strategy*,

1 letter dated August 18, 2008.) Mission Peaks at present has no plans to incorporate any high use  
2 water features into its development. (Tr. Pg. 26.)

3 32. On August 25, 2008, Sahuarita Mission filed a late-filed exhibit setting forth the  
4 intended water conservation practices regarding the development of its property. According to  
5 Sahuarita Mission, landscaping will incorporate Xeriscape landscaping techniques using native and  
6 drought resistant plants, and plumbing fixtures will be low flow plumbing fixtures that will meet or  
7 exceed plumbing code requirements. (See Exhibit A-24, *Sahuarita Mission Development Water*  
8 *Conservation Strategy*, letter dated August 18, 2008.)

9 33. According to SWC, wastewater service in the proposed extension area will be  
10 provided by either Pima County Wastewater Management or the Town of Sahuarita. Mr. Lawson  
11 testified that Mission Peaks will construct the sewer treatment plant and then turn the facilities over  
12 one of those two entities. (Tr. Pg. 29.)

13 34. SWC's existing water system is regulated by the Arizona Department of  
14 Environmental Quality ("ADEQ") under ADEQ Public Water System I.D. #10-312. The Company's  
15 system has no deficiencies and ADEQ has determined that this system is currently delivering water  
16 that meets water quality standards required by Arizona Administrative Code, Title 18, Chapter 4.

17 35. SWC has not submitted ADEQ Certificates of Approval to Construct ("ATC") or  
18 Certificates of Approval of Construction ("AOC") for the plant items needed to serve the requested  
19 extension area.

20 36. Staff recommends that SWC docket as a compliance item in this case within three  
21 years of the effective date of this Order, copies of the ATCs for well(s), storage tank(s), booster pump  
22 station(s) and distribution system that will be needed to serve the initial subdivision in the requested  
23 extension area.

24 37. SWC is located within the Tucson Active Management Area and is in compliance with  
25 its reporting and conservation requirements with the Arizona Department of Water Resources  
26 ("ADWR").

27 38. SWC holds a Designation of Assured Water Supply ("Designation") of 4,700 annual  
28 acre feet. According to SWC's application, at full build-out of both the existing and proposed CC&N

1 developments, SWC could be serving approximately 83,000 people. (See Exhibit A-1, *December 13,*  
2 *2007, CC&N Extension Application*, pg. 7, Future Development Population Projections table.) As  
3 such, on November 23, 2007, SWC filed an application with ADWR to increase the Designation to  
4 reflect SWC's ability to provide the projected water demand at build out in both the existing and  
5 proposed certificated areas for the statutorily-prescribed 100 years. (See Exhibit A-13.)

6 39. Accompanying the modification application was a November 21, 2007, Assured  
7 Water Supply Hydrology Report prepared by Brown and Caldwell, which SWC asserts demonstrates  
8 the physical availability of the 10,983 acre feet of local groundwater necessary to serve both the  
9 existing and proposed certificated areas. (See Exhibit A-14.)

10 40. By letter dated March 27, 2008, SWC received an administrative completeness review  
11 letter from ADWR requesting additional information. (See Exhibit A-15.) SWC, through Brown and  
12 Caldwell, responded to that letter on July 7, 2008. (See Exhibit A-16.)

13 41. On July 28, 2008, ADWR sent a second Administrative Completeness Review Letter  
14 to SWC. (See Exhibit A-17.) SWC responded to that letter on July 31, 2008. (See Exhibit 18.)

15 42. Staff recommends that, within two years of this Decision, SWC file with Docket  
16 Control, as a compliance item in this matter, documentation from ADWR stating that SWC's  
17 Designation has been modified to include the water supply necessary to serve proposed extension  
18 area.

19 43. According to the Utilities Division Compliance Section, SWC has no outstanding  
20 Commission compliance issues.

21 44. SWC has an approved Curtailment Plan Tariff and an approved Cross Connection  
22 Tariff.

23 45. Every applicant for a CC&N and/or CC&N Extension is required to submit to the  
24 Commission evidence showing that the applicant has received the required consent, franchise or  
25 permit from the proper authority. All extensions of SWC's facilities under the proposed CC&N  
26 extension would occur within unincorporated areas of Pima County. SWC currently holds a Public  
27 Utility License Agreement between Pima County and SWC that pertains to SWC's use of public  
28 rights-of-way.

46. Staff recommends that, if SWC fails to comply with Staff's recommendations within the time frames specified in Findings of Fact Nos. 36 and 42, the CC&N granted in this case be null and void, after due process.

47. SWC has agreed to all of Staff's recommendations.

48. Staff's recommendations are reasonable and should be adopted.

49. Because an allowance for the property tax expense is included in SWC's rates and will be collected from its customers, the Commission seeks assurances from SWC that any taxes collected from ratepayers have been remitted to the appropriate taxing authority. It has come to the Commission's attention that a number of water companies have been unwilling or unable to fulfill their obligation to pay the taxes that were collected from its ratepayers, some for as many as twenty years. It is reasonable, therefore, that as a preventive measure SWC shall annually file, as part of its annual report, an affidavit with the Commission's Utilities Division attesting that the company is current in paying its property taxes in Arizona.

## CONCLUSIONS OF LAW

1. SWC is a public service corporation within the meaning of Article XV of the Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

2. The Commission has jurisdiction over SWC and the subject matter of the application.

3. Notice of the application was provided in accordance with law.

4. There is a public need and necessity for water service in the proposed revised extension area as set forth in Exhibit 'A.'

5. SWC is a fit and proper entity to receive a CC&N to provide water service in the proposed extension area.

6. Staff's recommendations as set forth herein are reasonable and should be adopted.

## ORDER

IT IS THEREFORE ORDERED that the transfer of the Certificate of Convenience and Necessity held by Rancho Sahuarita Water Company, L.L.C., to Sahuarita Water Company, L.L.C., is hereby approved.

1 IT IS FURTHER ORDERED that the application of Sahuarita Water Company, L.L.C., for an  
2 extension of the Certificate of Convenience and Necessity to provide water service in Pima County  
3 for the area described in Exhibit 'A' hereto, is approved, as conditioned herein.

4 IT IS FURTHER ORDERED that Sahuarita Water Company, L.L.C., shall charge its  
5 authorized rates and charges in the extension area.

6 IT IS FURTHER ORDERED that Sahuarita Water Company, L.L.C., shall file with Docket  
7 Control, within three years of the effective date of this Decision, as a compliance item in this docket,  
8 copies of the Approval to Construct from the Arizona Department of Environmental Quality for  
9 well(s), storage tank(s), booster pump station(s), and the distribution system necessary to serve the  
10 first phase in the extension area.

11 IT IS FURTHER ORDERED that Sahuarita Water Company, L.L.C., shall file with Docket  
12 Control, within two years of the effective date of this Decision, as a compliance item in this docket,  
13 documentation from the Arizona Department of Water Resources stating that Sahuarita Water  
14 Company, L.L.C.'s, Designation of Assured Water Supply has been modified to include the water  
15 supply necessary to serve the extension area.

16 IT IS FURTHER ORDERED that this Decision granting the requested CC&N extension be  
17 considered null and void, after due process, should Sahuarita Water Company, L.L.C., fail to meet  
18 the above conditions within the times specified.

19 ...

20 ...

21 ...

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28 ...

1 IT IS FURTHER ORDERED that off-site infrastructure for new connections within the  
2 extension area shall be funded through hook-up fees and not off-site facilities agreements.

3 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

4 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.  
5

6 CHAIRMAN

COMMISSIONER

9 COMMISSIONER

COMMISSIONER

COMMISSIONER

10  
11 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive  
12 Director of the Arizona Corporation Commission, have  
13 hereunto set my hand and caused the official seal of the  
14 Commission to be affixed at the Capitol, in the City of Phoenix,  
15 this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

15 BRIAN C. McNEIL  
16 EXECUTIVE DIRECTOR

17  
18 DISSENT \_\_\_\_\_

19  
20 DISSENT \_\_\_\_\_

1 SERVICE LIST FOR:

SAHUARITA WATER COMPANY

2 DOCKET NO.:

W-03718A-07-0687

3 Lawrence V. Robertson, Esq.  
4 Attorney at Law  
5 P.O. Box 1448  
6 Tubac, Arizona 85646

7 Mark J. Seamans, General Manager  
8 Sahuarita Water Company, L.L.C.  
9 P.O. Box 1520  
10 Sahuarita, Arizona 85629

11 Janice Alward, Chief Counsel  
12 Legal Division  
13 ARIZONA CORPORATION COMMISSION  
14 1200 West Washington Street  
15 Phoenix, Arizona 85007

16 Ernest Johnson, Director  
17 Utilities Division  
18 ARIZONA CORPORATION COMMISSION  
19 1200 West Washington Street  
20 Phoenix, Arizona 85007

## EXHIBIT A

ORDER NO. 61377 NOW

## LEGAL DESCRIPTION

## EXHIBIT "A"

AN UNDIVIDED 83.3333% INTEREST IN AND TO THE FOLLOWING DESCRIBED PARCELS:

## PARCEL 1:

That portion of Sections 12 and 13, Township 17 South, Range 12 East, Gila and Salt River Meridian, Pima County, Arizona, described as follows:

BEGINNING at the Southwest corner of said Section 12:

THENCE North 00 degrees 24 minutes 09 seconds West along the West line of said Section 12 a distance of 1,350.77 feet to the Westerly right-of-way line of Mission Road as shown on Book 2 of Records of Survey at Page 57, Records of Pima County, Arizona, said point being on the arc of a non-tangent curve concave to the Southwest; a radial line of said curve through said point having a bearing of North 42 degrees 32 minutes 51 seconds East;

THENCE Southerly along the arc of said curve, to the right, having a radius of 2614.79 feet and a central angle of 08 degrees 52 minutes 55 seconds for an arc distance of 436.35 feet to a point of tangency;

THENCE South 38 degrees 34 minutes 14 seconds East along said right-of-way line a distance of 630.70 feet to a point of curvature of a tangent curve concave to the Northeast;

THENCE Southerly along the arc of said curve, to the left, having a radius of 1,195.92 feet and a central angle of 24 degrees 57 minutes 28 seconds for an arc distance of 520.94 feet to a point of tangency;

THENCE South 03 degrees 31 minutes 42 seconds East along said right-of-way line a distance of 162.19 feet to a point of curvature of a tangent curve concave to the Southwest;

THENCE Southerly along the arc of said curve, to the right, having a radius of 666.20 feet and a central angle of 60 degrees 46 minutes 44 seconds for an arc distance of 706.70 feet to a point of tangency;

THENCE South 02 degrees 44 minutes 58 seconds East along said right-of-way line a distance of 87.39 feet;

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THENCE South 03 degrees 24 minutes 50 seconds East along the re-established right-of-way line of Mission Road a distance of 119.84 feet to a point of curvature of a tangent curve concave to the Northeast;

THENCE Southerly along the arc of said curve, to the left, having a radius of 1,459.86 feet and a central angle of 29 degrees 57 minutes 08 seconds for an arc distance of 1,024.55 feet to a point of tangency;

THENCE South 13 degrees 21 minutes 58 seconds East along said right-of-way line a distance of 284.15 feet to the South line of the North Half of the Northwest Quarter of said Section 13;

THENCE North 89 degrees 46 minutes 15 seconds West along the South line of said North Half a distance of 2,071.85 feet to the West line of said Northwest Quarter;

THENCE North 00 degrees 14 minutes 11 seconds West along said West line a distance of 1,119.95 feet to the POINT OF BEGINNING.

PARCEL 11:

That portion of Section 11, Township 17 South, Range 12 East, Gila and Salt River Base and Meridian, Pima County, Arizona, and that portion of the Waring Lode Mining Claim in Pima Mining District being shown on Mineral Survey No. 4187 on file in the Bureau of Land Management as granted by Patent recorded in Book 34 of Deeds of Mines at Page 220, Pima County Records, described as follows:

COMMENCING at the Southeast corner of said Section 13;

THENCE North 89 degrees 55 minutes 36 seconds West along the South line of said Section 13 a distance of 445.60 feet to the POINT OF BEGINNING, said point being on the Westerly right-of-way line of Mission Road as re-established from the existing paving of said road;

THENCE continue North 89 degrees 55 minutes 36 seconds West along said South line of Section 13 a distance of 2,651.19 feet to a line 440.00 feet West of and parallel with North-South midsection line of said Section 13;

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THENCE North 00 degrees 16 minutes 37 seconds West along said parallel line a distance of 3,740.03 feet to said right-of-way line of Mission Road:

THENCE South 33 degrees 21 minutes 58 seconds East along said right-of-way line a distance of 1,978.94 feet to a point of curvature of a tangent curve concave to the Northeast:

THENCE Southerly along the arc of said curve, to the left, having a radius of 1,462.40 feet and a central angle of 24 degrees 53 minutes 35 seconds for an arc distance of 644.07 feet to a point of tangency:

THENCE South 56 degrees 15 minutes 38 seconds East along said right-of-way line a distance of 434.74 feet to a point of curvature of a tangent curve concave to the Southwest:

THENCE Southerly along the arc of said curve, to the right, having a radius of 1147.53 feet and a central angle of 32 degrees 57 minutes 22 seconds for an arc distance of 660.05 feet to a point of tangency:

THENCE South 25 degrees 18 minutes 14 seconds East along said right-of-way line a distance of 430.76 feet to a point of curvature of a tangent curve concave to the Southwest:

THENCE Southerly along the arc of said curve, to the right, having a radius of 857.44 feet and a central angle of 13 degrees 52 minutes 12 seconds for an arc distance of 207.56 feet to a point of tangency:

THENCE South 11 degrees 16 minutes 02 seconds East along said right-of-way line a distance of 352.14 feet to the POINT OF BEGINNING.

EXCEPT from the above described properties and any and all rights to oil, gas, minerals and associated hydrocarbons as reserved in Docket 2220 at Page 266 and in Docket 7944 at Page 306.

PARCEL III:

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Order No. 61177

That portion of Section 13, Township 17 South, Range 12 East, Gila and Salt River Base and Meridian, Pima County, Arizona, and that portion of the Waring Lode Mining Claim in Pima Mining District being shown on Mineral Survey No. 4187 on file in the Bureau of Land Management as granted by patent recorded in Book 34 of Deeds of Mines at Page 220, Pima County Records, described as follows:

BEGINNING at the Southeast corner of said Section 13:

THENCE North 89 degrees 55 minutes 36 seconds West along the South line of said Section 13 a distance of 343.54 feet to the Easterly right-of-way line of Mission Road as re-established from the existing paving of said road;

THENCE North 11 degrees 26 minutes 02 seconds West along said right-of-way line a distance of 372.50 feet to a point of curvature of a tangent curve concave to the West;

THENCE Northerly along the arc of said curve, to the left, having a radius of 957.49 feet and a central angle of 13 degrees 52 minutes 12 seconds for an arc distance of 231.79 feet to a point of tangency;

THENCE North 25 degrees 18 minutes 14 seconds West along said right-of-way line a distance of 430.76 feet to a point of curvature of a tangent curve concave to the Southwest;

THENCE Northerly along the arc of said curve, to the left, having a radius of 1,247.53 feet and a central angle of 32 degrees 57 minutes 22 seconds for an arc distance of 717.57 feet to the point of tangency;

THENCE North 58 degrees 15 minutes 38 seconds West along said right-of-way line a distance of 434.74 feet to a point of curvature of a tangent curve concave to the Northeast;

THENCE Northerly along the arc of said curve, to the right, having a radius of 1,382.40 feet and a central angle of 24 degrees 53 minutes 38 seconds for an arc distance of 600.62 feet to a point of tangency;

THENCE North 33 degrees 21 minutes 58 seconds West along said right-of-way line a distance of 2519.86 feet to a point of curvature of a tangent curve concave to the Northeast;

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THENCE Northerly along the arc of said curve to the right, having a radius of 1,859.56 feet and a central angle of 29 degrees 57 minutes 05 seconds for an arc distance of 972.27 feet to a point of tangency:

THENCE North 03 degrees 24 minutes 50 seconds West along said right-of-way line a distance of 40.50 feet to a point 75.00 feet South of and parallel with the North line of said Section 13, said point being on the South right-of-way line of Helmet Peak Road:

THENCE South 89 degrees 41 minutes 16 seconds East along said parallel line a distance of 3,606.47 feet to the East line of the Northeast Quarter of said Section 13:

THENCE South 00 degrees 18 minutes 59 seconds East along said East line a distance of 2,455.56 feet to the Southeast corner of said Northeast Quarter:

THENCE South 00 degrees 18 minutes 15 seconds East along the East line of Government Lot 1 and 4 of said Section 13 a distance of 2,630.26 feet to the POINT OF BEGINNING:

EXCEPT any and all rights to oil, gas, minerals and associated hydrocarbons as reserved in Docket 2220 at Page 266 and in Docket 7944 at Page 31-.

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**LEGAL DESCRIPTION  
 RANCHO SAHUARITA WATER COMPANY BOUNDARY**

**PARCEL 1**

Portions of Sections 24 through 27, and 34 through 36, Township 17 South, Range 12 East and portions of Sections 19 and 30, Township 17 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona and shown in Record of Surveys Book 41 at Page 22 and Book 45 at Page 92, records of Pima County Arizona, described as follows:

**BEGINNING** at the North one-quarter corner of said Section 27;

**THENCE** upon the North line of said Section, N 89°21'41" E a distance of 1341.87 feet;

**THENCE** continue upon said north line, N 89°20'54" E a distance of 1342.07 feet to the northwest corner of Section 26;

**THENCE** upon the north line of said Section 26, N 89°20'30" E a distance of 1322.48 feet;

**THENCE** continue upon said north line, N 89°20'16" E a distance of 1325.05 feet to the north one-quarter corner;

**THENCE** continue upon said north line, N 89°20'57" E a distance of 1336.10 feet;

**THENCE** N 89°20'28" E a distance of 1311.91 feet to the southwest corner of Section 24;

**THENCE** upon the west line of said Section 24, N 01°11'04" W a distance of 2639.36 feet to the west one-quarter corner;

**THENCE** continue upon said west line, N 01°08'44" W a distance of 1319.49 feet to the north line of the south one-half of the north one-half of said Section 24;

**THENCE** upon said north line, N 89°25'57" E a distance of 2657.64 feet;

**THENCE** continue upon said north line, N 89°23'50" E a distance of 1329.33 feet;

**THENCE** continue upon said north line, N 89°24'36" E a distance of 1139.69 feet to the westerly right-of-way of Mission-Twin Buttes Road, recorded in Road Maps Book 1 at Pages 20-23 and Book 12 at Page 31, records of said Pima County;

**THENCE** upon said westerly right-of-way the following 14 courses and distances:

1) S 12°26'32" E a distance of 6002.25 feet;

2) N 77°33'28" E a distance of 10.00 feet to a point on the arc of a non-tangent curve concave westerly, a radial line of said curve through said point having a bearing of N 77°33'31" E;

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- 3) Southerly upon the arc of said curve, to the right, having a radius of 9269.74 feet and a central angle of  $5^{\circ}15'49''$  for an arc length of 851.59 feet to a point of tangency;
- 4) S  $07^{\circ}10'40''$  E a distance of 633.01 feet to a point of curvature of a tangent curve concave northwesterly;
- 5) Southwesterly upon the arc of said curve, to the right, having a radius of 955.37 feet and a central angle of  $85^{\circ}29'56''$  for an arc length of 1425.64 feet to a point of tangency;
- 6) S  $78^{\circ}19'16''$  W a distance of 588.25 feet to a point of curvature of a tangent curve concave northerly;
- 7) Westerly upon the arc of said curve, to the right, having a radius of 2824.93 feet and a central angle of  $14^{\circ}32'34''$  for an arc length of 717.02 feet to a point of tangency;
- 8) N  $87^{\circ}08'11''$  W a distance of 120.17 feet to a point of curvature of a tangent curve concave southeasterly;
- 9) Southwesterly upon the arc of said curve, to the left, having a radius of 1849.57 feet and a central angle of  $52^{\circ}03'35''$  for an arc length of 1680.55 feet to a point of tangency;
- 10) S  $40^{\circ}48'14''$  W a distance of 1269.01 feet to a point of curvature of a tangent curve concave northwesterly;
- 11) Southwesterly upon the arc of said curve, to the right, having a radius of 676.78 feet and a central angle of  $10^{\circ}31'45''$  for an arc length of 124.37 feet to a point of tangency;
- 12) S  $51^{\circ}19'59''$  W a distance of 2263.92 feet to a point of curvature of a tangent curve concave southeasterly;
- 13) Westerly upon the arc of said curve, to the left, having a radius of 756.78 feet and a central angle of  $54^{\circ}16'41''$  for an arc length of 716.92 feet to a point of tangency;
- 14) S  $02^{\circ}56'42''$  E a distance of 1284.38 feet to the northerly right-of-way of Twin Buttes-McGee Road recorded in Road Maps Book 2 at Pages 184-186, records of said Pima County;

THENCE upon said northerly right-of-way line the following 13 courses and distances;

- 1) S  $89^{\circ}40'33''$  W a distance of 103.05 feet to a point of curvature of a tangent curve concave southerly;
- 2) Westerly upon the arc of said curve, to the left, having a radius of 2894.79 feet and a central angle of  $7^{\circ}29'45''$  for an arc length of 378.72 feet to a point of tangency;
- 3) S  $82^{\circ}10'48''$  W a distance of 187.02 feet to a point of curvature of a tangent curve concave northerly;

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- 4) Westerly upon the arc of said curve, to the right, having a radius of 1879.86 feet and a central angle of  $13^{\circ}26'00''$  for an arc length of 440.74 feet to a point of tangency;
  - 5) N  $84^{\circ}23'12''$  W a distance of 927.54 feet to a point of curvature of a tangent curve concave northerly;
  - 6) Westerly upon the arc of said curve, to the right, having a radius of 542.96 feet and a central angle of  $14^{\circ}05'45''$  for an arc length of 133.58 feet to a point of tangency;
  - 7) N  $70^{\circ}17'27''$  W a distance of 166.64 feet to a point on the arc of a non-tangent curve concave southerly, a radial line of said curve through said point having a bearing of N  $19^{\circ}43'06''$  E;
  - 8) Westerly upon the arc of said curve, to the left, having a radius of 602.96 feet and a central angle of  $24^{\circ}15'25''$  for an arc length of 255.27 feet;
  - 9) S  $85^{\circ}36'25''$  W a distance of 63.46 feet to a point of curvature of a tangent curve concave southerly;
  - 10) Westerly upon the arc of said curve, to the left, having a radius of 1939.86 feet and a central angle of  $11^{\circ}33'45''$  for an arc length of 391.47 feet to a point of tangency;
  - 11) S  $74^{\circ}02'40''$  W a distance of 691.23 feet to a point of curvature of a tangent curve concave northerly;
  - 12) Westerly upon the arc of said curve, to the right, having a radius of 1270.00 feet and a central angle of  $13^{\circ}15'46''$  for an arc length of 293.98 feet to a point of tangency;
  - 13) S  $87^{\circ}18'26''$  W a distance of 48.88 feet;
- THENCE N  $00^{\circ}47'09''$  W a distance of 1331.20 feet;
- THENCE N  $00^{\circ}46'29''$  W a distance of 2038.55 feet;
- THENCE N  $89^{\circ}13'05''$  E a distance of 1531.71 feet to the east line of the northeast one-quarter of Section 35;
- THENCE upon said east line, N  $01^{\circ}11'55''$  W a distance of 1024.90 feet to the south one-quarter corner of Section 26;
- THENCE upon the south line of said Section, S  $89^{\circ}18'08''$  W a distance of 1524.37 feet;
- THENCE continue upon said south line, S  $89^{\circ}19'01''$  W a distance of 1124.01 feet to the northeast corner of Section 34;
- THENCE upon the east line of said Section, S  $01^{\circ}23'09''$  E a distance of 1344.73 feet;
- THENCE N  $86^{\circ}28'30''$  W a distance of 1378.82 feet;

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**THENCE** N 00°07'13" W a distance of 1243.26 feet to the south line of Section 27;

**THENCE** upon the south line of said Section, S 89°18'00" W a distance of 1374.64 feet to the south one-quarter corner;

**THENCE** upon the west line of the east one-half of said Section 27, the following 4 courses and distances:

- 1) N 00°50'51" W a distance of 1316.70 feet;
- 2) N 00°49'57" W a distance of 1317.07 feet;
- 3) N 00°49'36" W a distance of 1317.21 feet;
- 4) N 00°49'40" W a distance of 1317.77 feet to the **POINT OF BEGINNING**.

**TOGETHER WITH:**  
**PARCEL 2**

Portions of Sections 19 through 21, 29 and 30, Township 17 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona and shown in Book 41 of Surveys, Page 22, Records of Pima County, Arizona described as follows:

**BEGINNING** at the northwest corner of Section 19;

**THENCE** upon the north line of said Section, N 89°06'58" E a distance of 2567.47 feet to the north one-quarter corner;

**THENCE** continue upon said north line, N 89°06'28" E a distance: 2628.85 feet to the northwest corner of Section 20;

**THENCE** upon the west line of said Section 20, S 01°41'07" E a distance of 30.00 feet;

**THENCE** N 88°43'21" E a distance of 1979.26 feet;

**THENCE** S 01°41'07" E a distance of 399.99 feet;

**THENCE** N 88°43'21" E a distance of 668.88 feet to the west line of the east one-half of said Section 20;

**THENCE** upon said west line, N 01°46'54" W a distance of 430.00 feet to the north line of said Section 20;

**THENCE** upon said north line, N 88°43'00" E a distance of 2647.38 feet to the northwest corner of Section 21;

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**THENCE** upon the north line of said Section 21, N 88°57'37" E a distance of 1681.96 feet;

**THENCE** S 01°49'19" E a distance of 3226.42 feet to the northerly right-of-way of Twin Buttes Road, recorded in Surveys Book 5 at Pages 17 and 19, records of said Pima County, lying on the arc of a non-tangent curve concave northerly, a radial line of said curve through said point having a bearing of S 03°41'28" E;

**THENCE** upon said northerly right-of-way the following 30 courses and distances:

- 1) Westerly upon the arc of said curve, to the right, having a radius of 634.16 feet and a central angle of 2°43'13" for an arc length of 30.11 feet to a non-tangent line;
- 2) S 89°10'36" W a distance of 113.99 feet to a point on the arc of a non-tangent curve concave southerly, a radial line of said curve through said point having a bearing of N 00°51'39" W;
- 3) Westerly upon the arc of said curve, to the left, having a radius of 1436.65 feet and a central angle of 17°47'23" for an arc length of 446.06 feet to a non-tangent line;
- 4) S 71°14'59" W a distance of 433.16 feet to a point on the arc of a non-tangent curve concave southerly, a radial line of said curve through said point having a bearing of N 18°33'53" W;
- 5) Northwesterly upon the arc of said curve, to the left, having a radius of 2072.29 feet and a central angle of 7°50'43" for an arc length of 283.75 feet to a point of reverse curvature of a non-tangent curve, concave northerly, a radial line of said curve through said point having a bearing of S 26°29'45" E;
- 6) Westerly upon the arc of said curve, to the right, having a radius of 1649.24 feet and a central angle of 33°12'23" for an arc length of 955.83 feet to a non-tangent line;
- 7) N 83°16'46" W a distance of 300.48 feet to a point on the arc of a non-tangent curve concave southerly, a radial line of said curve through said point having a bearing of N 06°41'16" E;
- 8) Westerly upon the arc of said curve, to the left, having a radius of 2617.41 feet and a central angle of 19°23'31" for an arc length of 885.87 feet to a point of compound curvature of a non-tangent curve concave southeasterly, a radial line of said curve through said point having a bearing of N 12°39'55" W;
- 9) Southwesterly upon the arc of said curve, to the left, having a radius of 892.72 feet and a central angle of 26°06'18" for an arc length of 406.74 feet to a non-tangent line;
- 10) S 51°13'30" W a distance of 231.88 feet to a point of curvature of a tangent curve concave northwesterly;

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11) Southwesterly upon the arc of said curve, to the right, having a radius of 856.38 feet and a central angle of 29°24'46" for an arc length of 439.62 feet to the west line of the east one-half of said Section 20;

12) Upon said west line, N 01°46'54" W a distance of 45.36 feet;

13) S 80°53'44" W a distance of 9.64 feet to a point on the arc of a non-tangent curve concave southerly, a radial line of said curve through said point having a bearing of N 09°16'22" W;

14) Westerly upon the arc of said curve, to the left, having a radius of 2189.63 feet and a central angle of 17°47'42" for an arc length of 680.06 feet to a non-tangent line;

15) S 62°58'37" W a distance of 766.40 feet to a point on the arc of a non-tangent curve concave northwesterly, a radial line of said curve through said point having a bearing of S 27°02'25" E;

16) Southwesterly upon the arc of said curve, to the right, having a radius of 2698.50 feet and a central angle of 7°13'17" for an arc length of 340.11 feet to a non-tangent line;

17) S 70°09'35" W a distance of 314.36 feet to a point on the arc of a non-tangent curve concave southeasterly, a radial line of said curve through said point having a bearing of N 19°46'58" W;

18) Southwesterly upon the arc of said curve, to the left, having a radius of 2001.81 feet and a central angle of 10°22'42" for an arc length of 362.60 feet to a non-tangent line;

19) S 59°47'07" W a distance of 404.63 feet to the west line of Section 20;

20) Upon said west line, S 01°41'07" E a distance of 49.31 feet to the southwest corner;

21) Upon the south line of said Section 20, N 89°02'25" E a distance of 5.45 feet to a point on the arc of a non-tangent curve concave southeasterly, a radial line of said curve through said point having a bearing of N 31°57'43" W;

22) Southwesterly upon the arc of said curve, to the left, having a radius of 1541.19 feet and a central angle of 3°38'01" for an arc length of 97.74 feet to a point of reverse curvature of a non-tangent curve concave northwesterly, a radial line of said curve through said point having a bearing of S 35°40'20" E;

23) Southwesterly upon the arc of said curve, to the right, having a radius of 1481.19 feet and a central angle of 5°34'21" for an arc length of 144.06 feet to a non-tangent line;

24) S 59°48'34" W a distance of 896.58 feet to a point on the arc of a non-tangent curve concave northerly, a radial line of said curve through said point having a bearing of S 30°11'18" E;

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25) Westerly upon the arc of said curve, to the right, having a radius of 1752.46 feet and a central angle of 30°05'12" for an arc length of 920.24 feet to a point of reverse curvature of a non-tangent curve concave southerly, a radial line of said curve through said point having a bearing of N 00°05'12" W;

26) Westerly upon the arc of said curve, to the left, having a radius of 869.19 feet and a central angle of 13°15'29" for an arc length of 201.13 feet to a point of reverse curvature of a non-tangent curve concave northerly, a radial line of said curve through said point having a bearing of S 13°21'52" E;

27) Westerly upon the arc of said curve, to the right, having a radius of 2325.40 feet and a central angle of 34°27'47" for an arc length of 1398.71 feet to a non-tangent line;

28) N 68°53'14" W a distance of 151.79 feet to a point on the arc of a non-tangent curve concave southerly, a radial line of said curve through said point having a bearing of N 21°04'23" E;

29) Westerly upon the arc of said curve, to the left, having a radius of 1010.68 feet and a central angle of 26°56'23" for an arc length of 475.21 feet to a non tangent line;

30) S 84°05'18" W a distance of 381.65 feet to the easterly right-of-way of Mission-Twin Buttes Road recorded in Road Maps Book 1 at Pages 20-23, records of said Pima County;

THENCE upon said easterly right-of-way, N 12°26'32" W a distance of 4625.24 feet

THENCE N 89°25'11" E a distance of 86.94 feet to the west line of Section 19;

THENCE upon said west line, N 01°14'52" W a distance of 1311.71 feet to the POINT OF BEGINNING.

TOGETHER WITH:  
PARCEL 3

All of Section 16, Township 17 South, Range 13 East, Gila and Salt River Meridian, Pima County, Arizona, Except the north 75 feet.

TOGETHER WITH:  
PARCEL 4

A portion of Section 35, Township 17 South, Range 12 East, Gila and Salt River Meridian, Pima County, Arizona and shown in Record of Surveys Book 41 at Page 22, records of Pima County Arizona, described as follows:

BEGINNING at the east one-quarter corner of said Section 35:

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**THENCE** upon the east line of said Section, S 00°16'41" E a distance of 1684.22 feet to the northerly right-of-way of Twin Buttes-McGee Road recorded in Road Maps Book 2 at Pages 184-186, records of said Pima County;

**THENCE** upon said northerly right-of-way, S 89°40'33" W a distance of 103.88 feet to the easterly right-of-way of Mission-Twin Buttes Road recorded in Road Maps Book 12 at Page 31, records of said Pima County;

**THENCE** upon said easterly right-of-way, N 02°56'42" W a distance of 1288.04 feet to a point of curvature of a tangent curve concave easterly;

**THENCE** northerly upon the arc of said curve, to the right, having a radius of 676.78 feet and a central angle of 43°13'34" for an arc length of 510.59 feet to the east line of said Section 35;

**THENCE** upon east line, S 01°46'39" E a distance of 73.92 feet to the **POINT OF BEGINNING.**

**TOGETHER WITH:  
PARCEL 5**

A portion of Section 35, Township 17 South, Range 12 East and a portion of Section 2, Township 18 South, Range 12 East, Gila and Salt River Meridian, Pima County, Arizona and shown in Record of Surveys Book 41 at Page 22, records of Pima County Arizona, described as follows:

**BEGINNING** at the northeast corner of said Section 2;

**THENCE** upon the east line of said Section, S 00°11'26" E a distance of 1214.24 feet to a point on the easterly right-of-way of Mission-Twin Buttes Road recorded in Road Maps Book 12 at Page 31, records of said Pima County;

**THENCE** upon said easterly right-of-way, N 02°56'42" W a distance of 2129.52 feet to the southerly right-of-way of Twin Buttes-McGee Road recorded in Road Maps Book 2 at Pages 184-186, records of said Pima County;

**THENCE** upon southerly right-of-way, N 89°40'33" E a distance of 100.94 feet to the east line of said Section 35;

**THENCE** upon said east line, S 00°16'41" E a distance of 913.05 feet to the **POINT OF BEGINNING.**

**TOGETHER WITH:  
PARCEL 6**

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A portion of Section 35, Township 17 South, Range 12 East and a portion of Sections 1 and 2, Township 18 South, Range 12 East, Gila and Salt River Meridian, Pima County, Arizona and shown in Record of Surveys Book 41 at Page 22 and Book 45 at Page 92, records of Pima County Arizona, described as follows:

**BEGINNING** at the south one-quarter corner of said Section 35;

**THENCE** upon the south line of said Section 35, S 89°36'56" W a distance of 1800.85 feet;

**THENCE** N 01°10'34" W a distance of 764.87 feet to the southerly right-of-way of Twin Buttes-McGee Road recorded in Road Maps Book 2 at Pages 184-186, records of said Pima County;

**THENCE** upon said southerly right-of-way the following 13 courses and distances;

- 1) N 87°18'26" E a distance of 294.56 feet to a point of curvature of a tangent curve concave northerly;
- 2) Northerly upon the arc of said curve, to the left, having a radius of 1330.00 feet and a central angle of 13°15'46" for an arc length of 307.87 feet to a point of tangency;
- 3) N 74°02'40" E a distance of 691.20 feet to a point of curvature of a tangent curve concave southerly;
- 4) Easterly upon the arc of said curve, to the right, having a radius of 1879.86 feet and a central angle of 11°33'45" for an arc length of 379.36 feet to a point of tangency;
- 5) N 85°36'25" E a distance of 66.39 feet to a point on the arc of a non-tangent curve concave southerly, a radial line of said curve through said point having a bearing of N 04°14'32" W;
- 6) Easterly upon the arc of said curve, to the right, having a radius of 542.99 feet and a central angle of 23°56'23" for an arc length of 226.87 feet to a non-tangent line;
- 7) S 70°17'27" E a distance of 166.87 feet to a point of curvature of a tangent curve, concave northerly;
- 8) Easterly upon the arc of said curve, to the left, having a radius of 602.96 feet and a central angle of 14°05'45" for an arc length of 148.34 feet to a point of tangency;
- 9) S 84°23'12" E a distance of 927.54 feet to a point of curvature of a tangent curve, concave northerly;
- 10) Easterly upon the arc of said curve, to the left, having a radius of 1939.86 feet and a central angle of 13°26'00" for an arc length of 454.81 feet to a point of tangency;
- 11) N 82°10'48" E a distance of 187.02 feet to a point of curvature of a tangent curve, concave southerly;

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-----12) Easterly upon the arc of said curve, to the right, having a radius of 2834.79 feet and a central angle of  $7^{\circ}29'45''$  for an arc length of 370.87 feet to a point of tangency;

13) N  $89^{\circ}40'33''$  E a distance of 105.94 feet to the westerly right-of-way of Mission-Twin Buttes Road recorded in Road Maps Book 12 at Page 31, records of said Pima County;

THENCE upon said westerly right-of-way the following 6 courses and distances;

1) S  $02^{\circ}56'42''$  E a distance of 2415.93 feet to a point of curvature of a tangent curve concave easterly;

2) Southerly upon the arc of said curve, to the left, having a radius of 756.78 feet and a central angle of  $33^{\circ}37'34''$  for an arc length of 444.14 to a point of tangency;

3) S  $36^{\circ}34'18''$  E a distance of 300.36 feet to a point of curvature of a tangent curve concave northeasterly;

4) Southeasterly upon the arc of said curve, to the left, having a radius of 756.78 feet and a central angle of  $43^{\circ}59'24''$  for an arc length of 581.03 feet to a point of tangency;

5) S  $80^{\circ}33'43''$  E a distance of 12.61 feet to a point on the arc of a non-tangent curve concave southwesterly, a radial line of said curve through said point having a bearing of N  $09^{\circ}26'20''$  E;

6) Southeasterly upon the arc of said curve, to the right, having a radius of 676.78 feet and a central angle of  $34^{\circ}25'30''$  for an arc length of 406.63 feet to the south line of the north one-half of said Section 1;

THENCE upon said south line, N  $89^{\circ}58'30''$  W a distance of 1111.01 feet to the east one-quarter corner of said Section 2;

THENCE upon the south line of the northeast one-quarter of said Section 2, N  $89^{\circ}49'13''$  W a distance of 2610.14 feet to the center one-quarter corner;

THENCE upon the west line of said northeast one-quarter, N  $00^{\circ}40'50''$  W a distance of 2605.25 feet to the POINT OF BEGINNING.

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DECISION NO. \_\_\_\_\_